

LSBRP Legislation Update

Expedited Bill 3-09, Local Small Business Reserve Program

Enacted: April 21, 2009 Sunset: December 31, 2012

Changes:

Sec. 1 Section 11B-66 is amended as follows:

11B-66. Local Small Business Reserve Program.

(b) A using department's procurement procedures must award a minimum of **20** percent of the using department's combined dollar value of contracts issued for goods, services, or construction to local small businesses, subject to method 2 regulations.

(d) A using department's decision to exclude procurement under Subsection must be approved by the DGS Director.

Sec. 2. Section 3 of Chapter 3, Laws of Montgomery County of 2005 is amended as follows:

This Act and any regulations adopted under it expires on **December 31, 2012.**

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Executive Regulation 2-09, Local Small Business Reserve Program

Enacted April 28, 2009

- Adopts the provisions of Bill 3-09
- Transfers the LSBRP to from the Department of Economic Development to the Department of General Services
- Increases the employee size and gross sales thresholds for the LSBRP

Size and Sales Limits

Business Type	Employee Size			Three Years Gross Sales Average	
	Former	New		Former	New
Wholesale	15	30	...or...	\$2,000,000	\$5,000,000
Retail	15	30		\$2,000,000	\$5,000,000
Service	25	50		\$2,500,000	\$5,000,000
Manufacturing	20	40		\$7,000,000	\$14,000,000
Construction	25	50		\$7,000,000	\$14,000,000

Exemptions

The Program does not apply to:

- the value of any contract to which this Regulation does not apply because of a conflict with a State, federal, or local law or a grant requirement;
- a preexisting contract or extension(s) of a preexisting, multi-year, contract executed by the County;
- a non-competitive contract;
- a public entity or emergency procurement;
- Montgomery County Code §11B-67(f) (waiver granted by the County's Chief Administrative Officer);
- any procurement where no Local Small Business is deemed qualified or able to perform the contract as determined by the head of the Using Department;
- Or any single procurement that is estimated to exceed \$10 million.